

State of Arkansas

UNDERPAYMENT OF ESTIMATED TAX BY CORPORATIONS

CORPORATION	FEIN
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PART 1. DETERMINING TAX AMOUNT REQUIRED TO BE ESTIMATED *(Round all entries to whole dollars)*

1. Tax Liability for Year Ending: <u> </u> / <u> </u> / <u> </u> : <i>(Enter amount from appropriate line on Arkansas return)</i>	00
<i>(If Line 1 is \$1,000 or less, \$250 or less for tax years beginning prior to 1/1/99, you are not subject to an underestimation penalty.)</i>	
2. (a) 90% of Line 1:	00
(b) Prior Year Tax Liability: <i>(Enter amount from appropriate line on prior year Arkansas return)</i>	00
3. Enter Lesser of 2(a) or 2(b) <i>(Divide entry by 4 for Part 2 Lines 2, 5, 8, and 11)</i> :	00
4. Total Estimated Tax Paid: <i>(Including estimate carryforward from prior year)</i>	00

*(If Line 4 is equal to or greater than Line 3 you are not subject to an underestimation penalty, **provided** the correct amount of quarterly estimated tax payments, as entered in Part 2, Lines 2, 5, 8, and 11, were timely filed and paid.)*

PART 2. COMPUTATION OF UNDERESTIMATED PENALTY *(Round all entries to whole dollars)*

NOTE: Complete Columns A and B first, Column C second, Column D third, and Column E fourth.	A Date	B Amounts <small>Enter pmts. as (-)</small>		C Cumulative Underpay (+) Overpay (-)		D Days Column C (+) Amounts Only	E Penalty Col. C X Col. D X .00027397
1. Estimated Credit Carryforwards and Pmts. made on or before the 1st Quarter Due Date:		< >					
2. Required 1st Quarter Estimated Payment:			B1 + B2 =		A 3 - A2 =		
3. Est. Pmt. made after Col. A, Ln. 2 and on or before Col. A, Ln. 5. If blank , enter Col. A, Ln. 5 date in Col. A:		< >	C2 + B3 =		A 4 - A3 =		
4. Est. Pmt. made after Col. A, Ln. 3 and on or before Col. A, Ln. 5. If blank , enter Col. A, Ln. 5 date in Col. A:		< >	C3 + B4 =		A 5 - A4 =		
5. Required 2nd Quarter Estimated Payment:			C4 + B5 =		A 6 - A5 =		
6. Est. Pmt. made after Col. A, Ln. 5 and on or before Col. A, Ln. 8. If blank , enter Col. A, Ln. 8 date in Col. A:		< >	C5 + B6 =		A 7 - A6 =		
7. Est. Pmt. made after Col. A, Ln. 6 and on or before Col. A, Ln. 8. If blank , enter Col. A, Ln. 8 date in Col. A:		< >	C6 + B7 =		A 8 - A7 =		
8. Required 3rd Quarter Estimated Payment:			C7 + B8 =		A 9 - A8 =		
9. Est. Pmt. made after Col. A, Ln. 8 and on or before Col. A, Ln. 11. If blank , enter Col. A, Ln. 11 date in Col. A:		< >	C8 + B9 =		A10 - A9 =		
10. Est. Pmt. made after Col. A, Ln. 9 and on or before Col. A, Ln. 11. If blank , enter Col. A, Ln. 11 date in Col. A:		< >	C9 + B10 =		A11 - A10 =		
11. Required 4th Quarter Estimated Payment:			C10 + B11 =		A12 - A11 =		
12. Est. Pmt. made after Col. A, Ln. 11 and on or before Col. A, Ln. 14. If blank , enter Col. A, Ln. 14 date in Col. A:		< >	C11 + B12 =		A13 - A12 =		
13. Est. Pmt. made after Col. A, Ln. 12 and on or before Col. A, Ln. 14. If blank , enter Col. A, Ln. 14 date in Col. A:		< >	C12 + B13 =		A14 - A13 =		
14. Earlier of the Income Tax Return Due Date or the Income Tax Return Filed Date with complete Tax Payment:							
					Total Penalty (Total Col. E):		

PART 3. IF YOU ARE CLAIMING ONE OF THE EXCEPTIONS LISTED BELOW, CHECK THE CORRESPONDING LETTER BOX AND ENTER THAT LETTER IN THE BOX PROVIDED ON LINE 44 OF FORM AR1100CT.
Exceptions

- | | |
|---|--|
| <input type="checkbox"/> (A) No penalty shall be imposed for a tax year if the tax shown on the return for such tax year is \$1,000.00 or less, \$250.00 or less for tax years beginning prior to 1/1/99.
<input type="checkbox"/> (B) Taxpayers whose income from farming for the income year can reasonably be expected to amount to at least two thirds (2/3) of the total gross income from all sources for the income year, may file such declaration and pay the estimated tax on or before the fifteenth (15th) day of the second (2nd) month after the close of the income year, or in lieu of filing any declaration, may file an income tax return and pay the tax on or before the fifteenth (15th) day of the third (3rd) month after the close of the income year.
<input type="checkbox"/> (C) The penalty herein provided shall not be applicable where the original amount of estimated tax is the same amount shown to be due by the return of the taxpayer for the preceding income year where such return showing a liability for tax was filed by the taxpayer for the preceding income year of twelve (12) months.
<input type="checkbox"/> (D) In lieu of filing the fourth (4th) quarter installment the taxpayer may file an income tax return and pay the tax on or before January 31st or on the last day of the first month after the close of the income year. | <input type="checkbox"/> (E) No penalty shall be imposed for a tax year if:
(1) the preceding tax year was a tax year of 12 months, and
(2) the taxpayer did not have a tax liability for the preceding tax year, and,
(3) the taxpayer was a resident of Arkansas throughout the preceding tax year.
<input type="checkbox"/> (F) No penalty shall be imposed with respect to any underpayment to the extent that the Commissioner of Revenue determines that by reasons of casualty, disaster, or other unusual circumstances the imposition of such penalty would be against equity and good conscience.
<input type="checkbox"/> (G) No penalty shall be imposed with respect to any underestimate or underpayment if the Commissioner determines that:
(1) the taxpayer
(i) retired after having attained age 62, or
(ii) became disabled, in the tax year for which such estimated payments were required to be made or in the tax year preceding such tax year, and,
(2) such underpayment was due to reasonable cause and not to willful neglect. |
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INSTRUCTIONS FOR FORM AR2220

UNDERPAYMENT OF ESTIMATED TAX BY CORPORATIONS

PART 1

- Line 1: Enter current year tax liability. If this is \$1,000.00 or less, \$250 or less for tax years beginning prior to 1/1/99, you are not subject to an Underestimate Penalty.
- Line 2: (a) Enter 90% of the dollar amount entered on line 1.
(b) Enter amount of prior year tax liability.
- Line 3: Enter lesser of 2(a) or 2(b).
- Line 4: Enter amount of total estimated tax paid. Include estimated tax carry-forward from prior year, but do not include any amount(s) paid with extension (Voucher 5). If Line 4 is equal to or greater than Line 3, you are not subject to an underestimate penalty provided the correct amount of estimates were timely filed and paid.

PART 2

COLUMNS A and B (**NOTE:** Complete Columns A and B first, Column C second, Column D third, and Column E fourth)

- Line 1: Enter the dates in Col.A and the total amount in Col.B of Estimated Credit Carryforward from previous tax year or other payments made toward the tax liability that were made on or before the required First Quarter Estimated Payment due date.
- Line 2: Enter the date in Col.A and the amount in Col.B of the Required First Quarter Estimated Payment (Part 1, Line 3 divided by 4 quarters or from Form AR2220A, Line 20).
- Lines 3 and 4: Enter the dates in Col.A and the totals (as negative numbers) in Col.B (earliest date on line 3) of estimated payments (exclude extension payments) made after the Required First Quarter Estimated Payment due date and on or before the Required Second Quarter Estimated Payment due date. If one or more lines are left blank, enter the Required Second Quarter Estimated Payment due date in Col.A and zero (0) in Col.B.
- Line 5: Enter the date in Col.A and the amount in Col.B of the Required Second Quarter Estimated Payment (Part 1, Line 3 divided by 4 quarters or from Form AR2220A, Line 20).
- Lines 6 and 7: Enter the dates in Col.A and the totals (as negative numbers) in Col.B (earliest date on line 6) of estimated payments (exclude extension payments) made after the Required Second Quarter Estimated Payment due date and on or before the Required Third Quarter Estimated Payment due date. If one or more lines are left blank, enter the Required Third Quarter Estimated Payment due date in Col.A and zero (0) in Col.B.
- Line 8: Enter the date in Col.A and the amount in Col.B of the Required Third Quarter Estimated Payment (Part 1, Line 3 divided by 4 quarters or from Form AR2220A, Line 20).
- Lines 9 and 10: Enter the dates in Col.A and the totals (as negative numbers) in Col.B (earliest date on line 9) of estimated payments (exclude extension payments) made after the Required Third Quarter Estimated payment due date and on or before the Required Fourth Quarter Estimated Payment due date. If one or more lines are left blank, enter the Required Fourth Quarter Estimated Payment due date in Col.A and zero (0) in Col. B.

Line 11: Enter the date in Col.A and the amount in Col.B of the Required Fourth Quarter Estimated Payment (Part 1, Line 3 divided by 4 quarters or from Form AR2220A, Line 20).

Lines 12 and 13: Enter the dates in Col.A and the totals (as negative numbers) in Col.B (earliest date on line 12) of estimated payments (exclude extension payments) made after the Required Fourth Quarter Estimated Payment due date and on or before the earlier of the Income Tax Return Due Date or the date the Income Tax Return was Filed and Paid. If one or more lines are left blank, enter the earlier of the Income Tax Return Due Date or the date the Income Tax Return was Filed and Tax Paid in Col.A and zero (0) in Col.B.

Line 14: Enter the earlier of the Income Tax Return Due Date **OR** the date the Income Tax Return was filed and the tax Paid in full.

COLUMN C

Lines 2 through 13: Follow instructions between Columns B and C. Example - Add Col.B Line 1 to Col.B Line 2 and enter the number (as positive or negative) in Col.C Line 2; Add Col.C Line 2 to Col.B Line 3 and enter the number (as positive or negative) in Col.C Line 3; etc.

COLUMN D

Lines 2 through 13: Follow instructions between Columns C and D for each line in Column C that contains a positive amount. Enter in Column D the differences, in days, between the dates in Column A that are referenced in the instructions. Example - If Col.C Line 2 contained a positive amount, in Col. D Line 2 enter the difference in days between the dates in Col.A Line 3 and Col.A Line 2; if Col.C Line 2 contained a negative amount, leave Col.D Line 2 blank or enter zero (0).

COLUMN E

Lines 2 through 13: For each line in Column D that contains an entry of days, follow instructions at the top of Column E and enter the amounts as whole dollars. Example - If Col.D Line 2 contained an entry of days, multiply the amount in Col.C Line 2 by the days in Col.D Line 2 (days underpaid) and multiply this product by .00027397; enter this product on Col.E Line 2. If Col.D Line 2 was blank or contained a zero (0), enter a zero (0) on Col.E Line 2.

Line 14: Total all amounts in Col.E on Lines 2 through 13. This is your total Penalty for Underpayment of Estimated Tax to enter on Line 44 of the Arkansas Corporation Income Tax Return, Form AR1100CT.

PART 3

If one of the exceptions listed in Part 3 of Form AR2220 applies to you, it is not necessary to complete Form AR2220 **provided** the appropriate alpha character identifying your exception is listed in the block on Line 44, Form AR1100CT.

Example 1 for AR2220 Form

Taxpayer: ABC Corporation Tax Year End: 6/30/99 Current Year Tax Liability: \$18,418
Due Date of Return: 11/15/99 Date Return Filed: 11/13/99 Previous Year Tax Liability: \$18,624
Estimated Carryforward from Previous Tax Year: 0 Extension Payment Made: 9/15/99 \$1,000
Estimated Payments Made:
11/15/98 \$4,144
3/15/99 \$3,144
5/15/99 \$7,044
7/17/99 \$1,244

AR2220

State of Arkansas UNDERPAYMENT OF ESTIMATED TAX BY CORPORATIONS

CORPORATION ABC Corporation	FEIN 98-7654321
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PART 1. DETERMINING TAX AMOUNT REQUIRED TO BE ESTIMATED (Round all entries to whole dollars)

1. Tax Liability for Year Ending: 6 / 30 / 99 : (Enter amount from appropriate line on Arkansas return).....	18,418	00
(If Line 1 is \$1,000 or less, \$250 or less for tax years beginning prior to 1/1/99, you are not subject to an underestimate penalty.)		
2. (a) 90% of Line 1:	16,576	00
(b) Prior Year Tax Liability: (Enter amount from appropriate line on prior year Arkansas return).....	18,624	00
3. Enter Lesser of 2(a) or 2(b) (Divide entry by 4 for Part 2 Lines 2, 5, 8, and 11):	16,576	00
4. Total Estimated Tax Paid: (Including estimate carryforward from prior year).	15,576	00
(If Line 4 is equal to or greater than Line 3 you are not subject to an underestimate penalty, provided the correct amount of quarterly estimated tax payments, as entered in Part 2, Lines 2, 5, 8, and 11, were timely filed and paid.)		

PART 2. COMPUTATION OF UNDERESTIMATED PENALTY (Round all entries to whole dollars)

NOTE: Complete Columns A and B first, Column C second, Column D third, and Column E fourth.	A Date	B Amounts Enter pmts. as (-)		C Cumulative Underpay (+) Overpay (-)		D Days Column C (+) Amounts Only	E Penalty Col. C X Col. D X .00027397
1. Estimated Credit Carryforwards and Pmts. made on or before the 1st Quarter Due Date:	11/15/98	< 4,144 >					
2. Required 1st Quarter Estimated Payment:	11/15/98	4,144	B1 + B2 =	0	A 3 - A2 =	0	0
3. Est. Pmt. made after Col. A, Ln. 2 and on or before Col. A, Ln. 5. If blank , enter Col. A, Ln. 5 date in Col. A:	12/15/98	< 0 >	C2 + B3 =	0	A 4 - A3 =	0	0
4. Est. Pmt. made after Col. A, Ln. 3 and on or before Col. A, Ln. 5. If blank , enter Col. A, Ln. 5 date in Col. A:	12/15/98	< 0 >	C3 + B4 =	0	A 5 - A4 =	0	0
5. Required 2nd Quarter Estimated Payment:	12/15/98	4,144	C4 + B5 =	4,144	A 6 - A5 =	90	102
6. Est. Pmt. made after Col. A, Ln. 5 and on or before Col. A, Ln. 8. If blank , enter Col. A, Ln. 8 date in Col. A:	3/15/99	< 3,144 >	C5 + B6 =	1,000	A 7 - A6 =	0	0
7. Est. Pmt. made after Col. A, Ln. 6 and on or before Col. A, Ln. 8. If blank , enter Col. A, Ln. 8 date in Col. A:	3/15/99	< 0 >	C6 + B7 =	1,000	A 8 - A7 =	0	0
8. Required 3rd Quarter Estimated Payment:	3/15/99	4,144	C7 + B8 =	5,144	A 9 - A8 =	61	86
9. Est. Pmt. made after Col. A, Ln. 8 and on or before Col. A, Ln. 11. If blank , enter Col. A, Ln. 11 date in Col. A:	5/15/99	< 7,044 >	C8 + B9 =	(1,900)	A10 - A9 =	0	0
10. Est. Pmt. made after Col. A, Ln. 9 and on or before Col. A, Ln. 11. If blank , enter Col. A, Ln. 11 date in Col. A:	7/15/99	< 0 >	C9 + B10 =	(1,900)	A11 - A10 =	0	0
11. Required 4th Quarter Estimated Payment:	7/15/99	4,144	C10 + B11 =	2,244	A12 - A11 =	2	1
12. Est. Pmt. made after Col. A, Ln. 11 and on or before Col. A, Ln. 14. If blank , enter Col. A, Ln. 14 date in Col. A:	7/17/99	< 1,244 >	C11 + B12 =	1,000	A13 - A12 =	119	33
13. Est. Pmt. made after Col. A, Ln. 12 and on or before Col. A, Ln. 14. If blank , enter Col. A, Ln. 14 date in Col. A:	11/13/99	< 0 >	C12 + B13 =	1,000	A14 - A13 =	0	0
14. Earlier of the Income Tax Return Due Date or the Income Tax Return Filed Date with complete Tax Payment:	11/13/99						
						Total Penalty (Total Col. E):	222

PART 3. IF YOU ARE CLAIMING ONE OF THE EXCEPTIONS LISTED BELOW, CHECK THE CORRESPONDING LETTER BOX AND ENTER THAT LETTER IN THE BOX PROVIDED ON LINE 44 OF FORM AR1100CT.

Exceptions

- ☐ (A) No penalty shall be imposed for a tax year if the tax shown on the return for such tax year is \$1,000.00 or less, \$250.00 or less for tax years beginning prior to 1/1/99.
- ☐ (B) Taxpayers whose income from farming for the income year can reasonably be expected to amount to at least two thirds (2/3) of the total gross income from all sources for the income year, may file such declaration and pay the estimated tax on or before the fifteenth (15th) day of the second (2nd) month after the close of the income year, or in lieu of filing any declaration, may file an income tax return and pay the tax on or before the fifteenth (15th) day of the third (3rd) month after the close of the income year.
- ☐ (C) The penalty herein provided shall not be applicable where the original amount of estimated tax is the same amount shown to be due by the return of the taxpayer for the preceding income year where such return showing a liability for tax was filed by the taxpayer for the preceding income year of twelve (12) months.
- ☐ (D) In lieu of filing the fourth (4th) quarter installment the taxpayer may file an income tax return and pay the tax on or before January 31st or on the last day of the first month after the close of the income year.
- ☐ (E) No penalty shall be imposed for a tax year if:
- (1) the preceding tax year was a tax year of 12 months, and
- (2) the taxpayer did not have a tax liability for the preceding tax year, and,
- (3) the taxpayer was a resident of Arkansas throughout the preceding tax year.
- ☐ (F) No penalty shall be imposed with respect to any underpayment to the extent that the Commissioner of Revenue determines that by reasons of casualty, disaster, or other unusual circumstances the imposition of such penalty would be against equity and good conscience.
- ☐ (G) No penalty shall be imposed with respect to any underestimate or underpayment if the Commissioner determines that:
- (1) the taxpayer
- (i) retired after having attained age 62, or
- (ii) became disabled, in the tax year for which such estimated payments were required to be made or in the tax year preceding such tax year, and,
- (2) such underpayment was due to reasonable cause and not to willful neglect.

Example 2 for AR2220 Form

Taxpayer: XYZ Corporation Tax Year End: 12/31/98 Current Year Tax Liability: \$20,000
Due Date of Return: 5/15/99 Date Return Filed: 9/15/99 Previous Year Tax Liability: \$40,000
Estimated Carryforward from Previous Tax Year: \$2,000 Extension Payment Made: 5/15/99 \$3,000
Estimated Payments Made: 5/15/98 \$3,000
1/15/99 \$10,000

AR2220

State of Arkansas UNDERPAYMENT OF ESTIMATED TAX BY CORPORATIONS

CORPORATION	XYZ Corporation	FEIN	12-3456789
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PART 1. DETERMINING TAX AMOUNT REQUIRED TO BE ESTIMATED (Round all entries to whole dollars)

1. Tax Liability for Year Ending: 12 / 31 / 98 : (Enter amount from appropriate line on Arkansas return)	20,000	00
(If Line 1 is \$1,000 or less, \$250 or less for tax years beginning prior to 1/1/99, you are not subject to an underestimate penalty.)		
2. (a) 90% of Line 1:	18,000	00
(b) Prior Year Tax Liability: (Enter amount from appropriate line on prior year Arkansas return).....	40,000	00
3. Enter Lesser of 2(a) or 2(b) (Divide entry by 4 for Part 2 Lines 2, 5, 8, and 11):	18,000	00
4. Total Estimated Tax Paid: (Including estimate carryforward from prior year).	15	00
(If Line 4 is equal to or greater than Line 3 you are not subject to an underestimate penalty, provided the correct amount of quarterly estimated tax payments, as entered in Part 2, Lines 2, 5, 8, and 11, were timely filed and paid.)		

PART 2. COMPUTATION OF UNDERESTIMATED PENALTY (Round all entries to whole dollars)

NOTE: Complete Columns A and B first, Column C second, Column D third, and Column E fourth.	A Date	B Amounts Enter pmts. as (-)		C Cumulative Underpay (+) Overpay (-)		D Days Column C (+) Amounts Only	E Penalty Col. C X Col. D X .00027397
1. Estimated Credit Carryforwards and Pmts. made on or before the 1st Quarter Due Date:	ECF and 5/15/98	< 5,000 >					
2. Required 1st Quarter Estimated Payment:	5/15/98	4,500	B1 + B2 =	(500)	A 3 - A2 =	0	0
3. Est. Pmt. made after Col. A, Ln. 2 and on or before Col. A, Ln. 5. If blank, enter Col. A, Ln. 5 date in Col. A:	6/15/98	< 0 >	C2 + B3 =	(500)	A 4 - A3 =	0	0
4. Est. Pmt. made after Col. A, Ln. 3 and on or before Col. A, Ln. 5. If blank, enter Col. A, Ln. 5 date in Col. A:	6/15/98	< 0 >	C3 + B4 =	(500)	A 5 - A4 =	0	0
5. Required 2nd Quarter Estimated Payment:	6/15/98	4,500	C4 + B5 =	4,000	A 6 - A5 =	92	101
6. Est. Pmt. made after Col. A, Ln. 5 and on or before Col. A, Ln. 8. If blank, enter Col. A, Ln. 8 date in Col. A:	9/15/98	< 0 >	C5 + B6 =	4,000	A 7 - A6 =	0	0
7. Est. Pmt. made after Col. A, Ln. 6 and on or before Col. A, Ln. 8. If blank, enter Col. A, Ln. 8 date in Col. A:	9/15/98	< 0 >	C6 + B7 =	4,000	A 8 - A7 =	0	0
8. Required 3rd Quarter Estimated Payment:	9/15/98	4,500	C7 + B8 =	8,500	A 9 - A8 =	122	284
9. Est. Pmt. made after Col. A, Ln. 8 and on or before Col. A, Ln. 11. If blank, enter Col. A, Ln. 11 date in Col. A:	1/15/99	< 10,000 >	C8 + B9 =	(1,500)	A10 - A9 =	0	0
10. Est. Pmt. made after Col. A, Ln. 9 and on or before Col. A, Ln. 11. If blank, enter Col. A, Ln. 11 date in Col. A:	1/15/99	< 0 >	C9 + B10 =	(1,500)	A11 - A10 =	0	0
11. Required 4th Quarter Estimated Payment:	1/15/99	4,500	C10 + B11 =	3,000	A12 - A11 =	120	99
12. Est. Pmt. made after Col. A, Ln. 11 and on or before Col. A, Ln. 14. If blank, enter Col. A, Ln. 14 date in Col. A:	5/15/99	< 0 >	C11 + B12 =	3,000	A13 - A12 =	0	0
13. Est. Pmt. made after Col. A, Ln. 12 and on or before Col. A, Ln. 14. If blank, enter Col. A, Ln. 14 date in Col. A:	5/15/99	< 0 >	C12 + B13 =	3,000	A14 - A13 =	0	0
14. Earlier of the Income Tax Return Due Date or the Income Tax Return Filed Date with complete Tax Payment:	5/15/99						
Total Penalty (Total Col. E):							484

PART 3. IF YOU ARE CLAIMING ONE OF THE EXCEPTIONS LISTED BELOW, CHECK THE CORRESPONDING LETTER BOX AND ENTER THAT LETTER IN THE BOX PROVIDED ON LINE 44 OF FORM AR1100CT.

Exceptions

- ☐ (A) No penalty shall be imposed for a tax year if the tax shown on the return for such tax year is \$1,000.00 or less, \$250.00 or less for tax years beginning prior to 1/1/99.
- ☐ (B) Taxpayers whose income from farming for the income year can reasonably be expected to amount to at least two thirds (2/3) of the total gross income from all sources for the income year, may file such declaration and pay the estimated tax on or before the fifteenth (15th) day of the second (2nd) month after the close of the income year, or in lieu of filing any declaration, may file an income tax return and pay the tax on or before the fifteenth (15th) day of the third (3rd) month after the close of the income year.
- ☐ (C) The penalty herein provided shall not be applicable where the original amount of estimated tax is the same amount shown to be due by the return of the taxpayer for the preceding income year where such return showing a liability for tax was filed by the taxpayer for the preceding income year of twelve (12) months.
- ☐ (D) In lieu of filing the fourth (4th) quarter installment the taxpayer may file an income tax return and pay the tax on or before January 31st or on the last day of the first month after the close of the income year.
- ☐ (E) No penalty shall be imposed for a tax year if:
- (1) the preceding tax year was a tax year of 12 months, and
 - (2) the taxpayer did not have a tax liability for the preceding tax year, and,
 - (3) the taxpayer was a resident of Arkansas throughout the preceding tax year.
- ☐ (F) No penalty shall be imposed with respect to any underpayment to the extent that the Commissioner of Revenue determines that by reasons of casualty, disaster, or other unusual circumstances the imposition of such penalty would be against equity and good conscience.
- ☐ (G) No penalty shall be imposed with respect to any underestimate or underpayment if the Commissioner determines that:
- (1) the taxpayer
 - (i) retired after having attained age 62, or
 - (ii) became disabled, in the tax year for which such estimated payments were required to be made or in the tax year preceding such tax year, and,
 - (2) such underpayment was due to reasonable cause and not to willful neglect.